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NGO PRESENTA	
NSC BRIEFING	

12 November 1958

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TAIWAN STRAIT

- I. Pelping continues to rely on a combination of political and military tactics to keep the Taiwan Strait situation alive.
 - A. Shelling of the Chinmens has been generally light and sporadic since the cease-fire ended on 20 October.
 - 1. The resumption of firing and the 25 October "odd day" bombardment order were probably designed to contradict US-Nationalist statements on Peiping's "defeat," and to demonstrate that the initiative is in Communist hands.

 (No official word from Peiping regarding cancellation of 25 October order.)

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B. The Communist charge--unfounded--on 4 November that the Nationalists used gas shells has not been developed into a major propaganda theme, but may be resurrected later.

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- C. Peiping has made several approaches to the Nationalists, through intermediaries in Hong Kong, for negotiations.
 - 1. Communist intermediaries have indicated Peiping wants to avoid force and believes the Nationalists might, "with the passing of time," come around to negotiating if not pressed "too hard."
- II. The Nationalists are concerned over rumors--initiated in Hong Kong by the Communists--that Chinat-Chicom negotiations are already under way.
 - A. Taipei's main concern here appears to be to prevent the rumors from gaining credence in the US.
- III. The Chinese Nationalists have also played down the 23 October Chiang-Dulles communique as a "renunciation of force."
 - A. But some newspapers on Taiwan have responded by calling for more "realism" in evaluating counter-attack possibilities.

